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Message Text

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62
ORIGIN EB-07

INFO OCT-01 ARA-10 EUR-12 EA-09 NEA-10 IO-13 SSO-00 ISO-00

CCO-00 NSCE-00 INRE-00 USIE-00 FEA-01 AGR-10 CEA-01

CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 CIEP-02 SS-15

ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01 /145 R

DRAFTED BY EB/OT/STA:MCJONES:MH
APPROVED BY EB/OT/STA:WCLARK,JR.
S/S - MR. ORTIZ
STR:SCOFFIELD
TREAS:WBARREDA
COMM:BASCHER (INFO)
---------- 114609
O P 162053Z APR 76 ZFF5
FM SECSTATE WASHDC
TO AMEMBASSY ATHENS IMMEDIATE
AMEMBASSY BELGRADE IMMEDIATE
AMEMBASSY BERN IMMEDIATE
AMEMBASSY BOGOTA IMMEDIATE
AMEMBASSY BRASILIA IMMEDIATE
AMEMBASSY BUCHAREST IMMEDIATE
AMEMBASSY BUDAPEST IMMEDIATE
AMEMBASSY BUENOS AIRES IMMEDIATE
AMEMBASSY DUBLIN IMMEDIATE
AMCONSUL HONG KONG IMMEDIATE
AMEMBASSY LONDON IMMEDIATE
AMEMBASSY MADRID IMMEDIATE
AMEMBASSY MEXICO IMMEDIATE
AMEMBASSY MONTEVIDEO IMMEDIATE
AMEMBASSY NEW DELHI IMMEDIATE
AMEMBASSY OTTAWA IMMEDIATE
AMEMBASSY PARIS IMMEDIATE
AMEMBASSY ROME IMMEDIATE
AMEMBASSY SEOUL IMMEDIATE
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AMEMBASSY TAIPEI IMMEDIATE

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AMEMBASSY TOKYO IMMEDIATE
AMEMBASSY VIENNA IMMEDIATE
AMEMBASSY WARSAW IMMEDIATE
USMISSION EC BRUSSELS IMMEDIATE
USMISSION GENEVA IMMEDIATE
USDEL MTN GENEVA IMMEDIATE
USMISSION OECD PARIS IMMEDIATE
INFO USDEL SECRETARY PRIORITY

UNCLAS STATE 092903 TOSEC 100009

E.O. 11652: N/A
TAGS:ETRD
SUBJECT: ESCAPE CLAUSE PROCEEDING ON NON-RUBBER FOOTWEAR
-
PRESIDENT DECIDES IN FAVOR OF ADJUSTMENT ASSISTANCE
REF: STATE 42827
1. FOLLOWING IS TEXT OF PRESS RELEASE ISSUED BY THE OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS APRIL 16 (THE SUBSTANCE OF WHICH HAS BEEN CONVEYED TO WASHINGTON REPRESENTATIVES OF INTERESTED EXPORTING COUNTRIES), ANNOUNCING THE DISPOSITION OF THE UNITED STATES INTERNA-TIONAL TRADE COMMISSION REPORT TO THE PRESIDENT REGARDING THE EFFECTS OF IMPORTS OF NON-RUBBER FOOTWEAR: BEGIN TEXT:
PRESIDENT FORD HAS DECIDED, CONSIDERING THE INTERESTS OF BOTH AMERICAN CONSUMERS AND PRODUCERS, THAT EXPEDITED ADJUSTMENT ASSISTANCE IS THE MOST EFFECTIVE REMEDY FOR INJURY TO THE U.S. FOOTWEAR INDUSTRY AND ITS EMPLOYEES AS A RESULT OF IMPORTS. THIS DECISION WAS ANNOUNCED TODAY BY AMBASSADOR FREDERICK B. DENT, THE PRESIDENT'S SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS.
THE PRESIDENT'S DECISION WAS BASED UPON HIS EVALUATION OF THE NATIONAL ECONOMIC INTEREST. A REMEDY INVOLVING IMPORT RESTRAINTS WOULD HAVE LESSENED COMPETITION IN THE SHOE INDUSTRY AND RESULTED IN HIGHER SHOE PRICES FOR AMERICAN CONSUMERS AT A TIME WHEN LOWERING THE RATE OF INFLATION IS ESSENTIAL. FOOTWEAR MAKES UP 1 1/2 PERCENT OF THE CONSUMER PRICE INDEX.
IMPORT RESTRAINTS WOULD ALSO HAVE EXPOSED U.S. INDUS-TRIAL AND AGRICULTURE TRADE TO COMPENSATORY IMPORT CON-
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CESSIONS OR RETALIATION AGAINST U.S. EXPORTS. THIS WOULD HAVE BEEN DETRIMENTAL TO AMERICAN JOBS, AND DAMAGED U.S. EXPORTS.
THE PRESIDENT NOTED THAT THE U.S. FOOTWEAR INDUSTRY IS BENEFITTING FROM A SUBSTANTIAL INCREASE IN PRODUCTION, SHIPMENTS, AND EMPLOYMENT AS A RESULT OF THE ECONOMIC RECOVERY. ADDITIONALLY, A NUMBER OF PLANTS HAVE REOPENED, ORDER BACKLOGS OF DOMESTIC MANUFACTURERS HAVE INCREASED,

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AND PROFITABILITY HAS IMPROVED.
IN CONSIDERING THE EFFECT OF IMPORT RESTRAINTS ON THE INTERNATIONAL ECONOMIC INTERESTS OF THE UNITED STATES, AS REQUIRED BY THE TRADE ACT OF 1974, THE PRESIDENT CONCLUDED THAT SUCH RESTRAINTS WOULD BE CONTRARY TO THE U.S. POLICY OF PROMOTING THE DEVELOPMENT OF AN OPEN, NONDISCRIMINATORY AND FAIR WORLD ECONOMIC SYSTEM. THE GOAL OF THIS POLICY IS TO EXPAND DOMESTIC EMPLOYMENT AND LIVING STANDARDS THROUGH INCREASED ECONOMIC EFFICIENCY.
THE U.S. INTERNATIONAL TRADE COMMISSION REPORTED TO THE PRESIDENT ON FEBRUARY 20, 1976, THE RESULTS OF ITS INVESTIGATION OF A PETITION FOR IMPORT RELIEF FILED BY THE AMERICAN FOOTWEAR INDUSTRIES ASSOCIATION, THE BOOT AND SHOE WORKERS UNION AND THE UNITED SHOE WORKERS OF AMERICA. THE COMMISSION UNANIMOUSLY FO'ND THAT IMPORTS WERE A SUBSTANTIAL CAUSE OF SERIOUS INJURY TO THE DOMESTIC INDUSTRY.
HOWEVER, THERE WAS NOT A MAJORITY DECISION AS TO THE RECOMMENDED REMEDY. THREE COMMISSIONERS RECOMMENDED TARIFF INCREASES, TWO RECOMMENDED TARIFF-RATE QUOTAS AND ONE RECOMMENDED ADJUSTMENT ASSISTANCE.
THE PRINCIPAL SOURCES OF FOOTWEAR EXPORTS TO THE UNITED STATES ARE ITALY, SPAIN, THE REPUBLIC OF CHINA, BRAZIL, AND THE REPUBLIC OF KOREA. IMPORTS OF FOOTWEAR IN 1975 TOTALED 287.7 MILLION PAIRS AND WERE VALUED AT $1.1 BILLION. THEY MADE UP 40 PERCENT OF DOMESTIC CONSUMPTION.
THE PRESIDENT HAS DIRECTED THE SECRETARIES OF COMMERCE AND LABOR TO GIVE EXPEDITIOUS CONSIDERATION TO ANY PETITIONS FOR ADJUSTMENT ASSISTANCE FILED BY FOOTWEAR FIRMS AND THEIR WORKERS. HE ALSO INSTRUCTED THE SECRETARIES TO FILE SUPPLEMENTARY BUDGET REQUESTS FOR ADJUSTMENT ASSISTANCE FUNDS, IF NECESSARY, TO CARRY OUT HIS PROGRAM.
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THE PRESIDENT HAS ALSO DIRECTED THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS TO MONITOR U.S. FOOTWEAR TRADE, WATCHING LEVELS AND QUANTITIES OF IMPORTS AS WELL AS DOMESTIC PRODUCTION AND EMPLOYMENT. IF SIGNIFICANT CHANGES OCCUR, THEY WILL BE REPORTED TO THE PRESIDENT WITH APPROPRIATE RECOMMENDATIONS. END TEXT.
2. U.S. MISSION OECD PARIS INFORM THE OECD SECRETARIAT. U.S. MISSION GENEVA NOTIFY THE GATT SECRETARIAT REQUESTING THAT THE CITED TEXT BE CIRCULATED FOR THE INFORMATION OF THE CONTRACTING PARTIES.
3. FACT SHEET ON TRADE ADJUSTMENT ASSISTANCE FOR FIRMS, WORKERS AND COMMUNITIES, PRODUCING NON-RUBBER FOOTWEAR, ISSUED IN CONJUNCTION WITH THE PRESS RELEASE BEING TRANSMITTED SEPTEL. ROBINSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOOTWEAR, RUBBER, IMPORTS, POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE092903
Document Source: CORE
Document Unique ID: 00
Drafter: MCJONES:MH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760145-0829
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760452/aaaabrug.tel
Line Count: 168
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 STATE 42827
Review Action: RELEASED, APPROVED
Review Authority: oatisao
Review Comment: n/a
Review Content Flags:
Review Date: 02 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 JUL 2004 by SilvaL0>; APPROVED <15 SEP 2004 by oatisao>
Review Markings:

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Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ESCAPE CLAUSE PROCEEDING ON NON-RUBBER FOOTWEAR -
TAGS: ETRD, US, GR
To: ATHENS MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006